

BOARD OF DIRECTORS – ACTION SUMMARY
Wednesday, July 16, 2003 – 6:00 p.m.

Administration Building
2101 Hurley Way, Sacramento, CA

CALL TO ORDER

The meeting was called to order by Vice President Jones. Board Members present: Duveneck, Engellenner, Granados, Jones, Stewart, Trujillo, Valley, Vanderveen. Director Goold, absent. Staff: Fire Chief Martinez, General Counsel Price, Board Clerk Tilson.

PLEDGE OF ALLEGIANCE

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON AGENDA

None.

CONSENT AGENDA:

1. Board Meeting Action Summary—July 2, 2003

- **Board Action:**
Stewart/Trujillo—Approve the Consent Agenda. Unanimous in favor by members present. Director Goold, absent. Motion passed.

ACTION ITEM(S)

1. Election of Alternate Special District Representative on Sacramento Local Agency Formation Commission—(Price)

[Taken out of order after Action Items 2 and 3]

- **Board Action:**
Engellenner/Duveneck—voted to elect Director Gay Jones. Unanimous in favor by members present. Director Goold, absent.

2. Methodology of Allocating Sacramento Local Agency Formation Commission Costs to Special Districts in Sacramento County—(Appel)

- Director Jones represented the District on the LAFCo Special District Advisory Committee to review allocation methodologies and come up with a funding mechanism to reduce the variation from year to year in the allocation of LAFCo costs to special districts.

- The Advisory Committee recommended the current formula for funding LAFCo costs based on a percentage share comparison to annual revenue be modified to a percentage share based on the most recent five-year running average of revenues as reported by the State Controller for each special district compared to total special district revenues.
- Board concurred with further staff recommendation that a letter accompany the ballot to LAFCo requesting that all special districts be required to submit revenue funding information for equitable assessment or that a minimum contribution be established.
- The LAFCo budget has been reduced this year and the fund balance will be applied to all special district contributions; reducing the District cost for this year only from approximately \$50,000 to \$15,000.
- **Board Action:**
Vanderveen/Duveneck—Approve recommended modification of the LAFCo payment formula. Unanimous vote in favor by members present. Director Goold, absent.

3. Excess Workers' Compensation Insurance—(Appel)

- The cost of purchasing excess insurance coverage for the District's Self-Insured Workers' Compensation program for 2003/04 does not transfer sufficient loss risk to warrant the expenditure.

Additionally, the estimates used in constructing the Workers' Compensation budget are below the quoted premium cost. To date, the District has not penetrated its self-insured retention level on a single claim.

- Annually the District directs its broker, Alburger Basso DeGrosz (ABD), to solicit proposals for excess Workers' Compensation insurance coverage. Due to September 11, 2001, and a changing climate in the insurance industry, only one provider responded this year.

The proposal for Limits of Liability capped at \$10 million, down from our previous \$25 million coverage. Additionally, the District's obligation to insure itself against losses has increased to \$1 million per incident, up from the previous limit of \$600,000.

- Staff is recommending the District not purchase Excess Workers' Compensation Insurance for Fiscal Year 2003/04 due to the insufficient risk transfer offered by AIG's proposal; increase the District's Workers' Compensation Reserve Account by \$250,000, the amount allocated in the preliminary budget to purchase the excess insurance.

- Board to determine Workers' Compensation Reserve Account allocations for subsequent years during the annual budget process.
- **Board Action:**
Granados/Stewart—Approve staff recommendation. Unanimous in favor by members present. Director Goold, absent.

4. **Update on Communications Center Manager Position—(Martinez)**

- Upon resignation of Assistant Chief Hartley as Comm Center Manager effective June 27, Fire Chief Martinez appeared at the last Comm Center Board meeting and reported that inquiry would be made within the District for a replacement to fulfill the remainder of the two-year contract. A notice was sent to District Chief Officers – no interest response to date.
- Director Vanderveen submitted a letter to the Board expressing a willingness to temporarily serve as the Communications Center Manager for the balance of the contract term if no staff member expresses interest.

In response to Director Engellenner, he proposed a resignation date of August 1, 2003 as a Governing Board Director at the Comm Center.

- The five JPA member agencies include Sacramento City, Galt Fire District, City of Folsom, City of Elk Grove, and our District. At this point, no staff member from the other agencies is being considered for the position. Meeting next Monday with Sacramento City Fire Chief Dennis Smith to discuss a solution.

Discussion

- Proposal by Director Engellenner to incorporate the Comm Center as a separate division of the District with a Division Chief in charge and the other agencies contracting for service.

Counsel Price stated this can be done from a legal standpoint and cited alternatives available in accordance with the JPA agreement.

Fire Chief Martinez recommended the Board direct the Fire Chief and staff to study alternatives and evaluate the current JPA structure.

- Debbie Harris, Comm Center labor representative, spoke in support of Director Vanderveen's offer and his ability to make some needed changes as the Communications Center Manager.

- Counsel Price provided clarification – the Comm Center Manager is an employee of the JPA and not the member agency. This District has overall input into the budget process that would require Director Vanderveen if he were the Comm Center Manager to recuse himself on this Board from voting on anything relating to finances or the Comm Center Manager position to avoid conflict of interest.
- Key areas of concern to address: member agency discussion necessary on selecting a Comm Center manager in the near-term future; resolution of present challenges under the current JPA system; a need for a long-term study of the Comm Center structure and District participation as a member agency for possible future JPA modification.
- Director Vanderveen stated since an appointment will not be made as of August 1, he will continue to serve as the District representative until a new Comm Center Manager is appointed.
- For the record, Director Stewart voiced objection to a two-week delay and was in favor of taking immediate action.
- **Board Action:**
General consensus that staff discuss the issue with the other member agencies and provide further input for consideration at the next meeting in two weeks.

5. Draft Nepotism Policy—(Means)

- This policy memorializes current District practice relative to familial relationships in a direct supervisorial/subordinate relationship and provides for recusal by a panelist involved in a new hire process if the candidate is known or there is a familial relationship.
- The Policy Committee at its last meeting voted unanimously to refer the draft policy to the full Board for approval.
- Staff recommends approval of the Policy as submitted.
- **Board Action:**
Stewart/Engellenner—Approve staff recommendation. Unanimous in favor by members present. Director Goold, absent.

6. Agreement for Acquisition of Property and Easement for Public Roadway—Folsom Boulevard Road Improvement Project – Station 63—(Price/Cooper)

- The County of Sacramento is undertaking a road improvement project on Folsom Boulevard requiring an easement for sidewalks, curbs and gutters in front of Station 63 located at 12395 Folsom Boulevard.
- The proposed Easement involves taking approximately 11 feet at the street end of the ramp appraised by the County at \$17,000. Reducing the length of the ramp at Station 63 will create certain difficulties in returning apparatus to the station. Other options are available to the District under eminent domain law.

Under the Agreement, the District will forego the \$17,000 for the easement in exchange for the safety benefits of a signal light installed at County expense with the District to incur the expense of the Opti-Comm equipment for the signal light.

- Staff recommends approval of the Agreement for Acquisition of Real Property and authorize the Fire Chief to execute the Grant of Easement.
- **Board Action:**
Stewart/Engellenner—Approve staff recommendation. Directors Duveneck, Engellenner, Jones, Stewart, Trujillo, Valley, Vanderveen, AYE. Director Granados, abstaining. Director Goold, absent. Motion carried.

PRESENTATION ITEM(S)

1. Special Fire Tax-Rancho Murieta/Sloughhouse Area—(Martinez)

- The Special Tax was approved in November 2000 by the residents of the Rancho Murieta/Sloughhouse area to pay for fire protection, prevention and training services; with an estimated revenue of \$300,000 incorporated in the 2003/04 Preliminary Budget.
- Staff recommends the Board adopt at its regular meeting of August 6 a Resolution required by Code authorizing the County Assessor to incorporate the District Special Fire Tax in the Rancho Murieta/Sloughhouse area with the 2003/04 Sacramento County property tax levy and collect the funds.
- **Board Action:**
Absent objection, general consensus to place the Resolution on the Consent Agenda for approval at the next regular meeting.

2. Final Audit Reports for 2001 and 2002—(Simcoe/Auditors)

Presentation of the two final audit reports for a seven-month period from December 1, 2000 ending June 30, 2001, and the fiscal year period ending June 30, 2002.

- A material weakness was noted due to incomplete Fixed Asset Records resulting from the merger of the two Districts. On June 18, 2003, the Board adopted a new base for the Fixed Asset Records and provided for a management process to correct the deficiency to be reflected in the next audit report.
- Introduction of Alan Matré, Chief of Audits for the County of Sacramento Department of Finance, and Andrew Schmiedt, Senior Auditor.
- Mr. Matré stated the next audit report for June 30, 2003, will be in a different format in accordance with GASB 34 adopted by the Government Accounting Standards Board.

Complimented the Accounting and Administration staff for their assistance.

- **Board Action:**
Both reports filed as Audits of Record.

PRESIDENT'S REPORT None.

FIRE CHIEF'S REPORT—(Martinez)

- July 4—few structural fires, no major losses.
- July 8—Attended the grand opening of the Rancho Cordova City Hall with members of staff. Thanked Battalion Chief Greg Mugartegui for assisting as the point of contact for the District.
- Monitoring the State Legislature and the budget adoption process.
- July 12—Fire Camp wrapped up with 80 young campers from our community participating. Volunteer District employees make this valuable event possible. At capacity volume currently and unable to accommodate a larger turnout. A video will be put together for viewing on VCR tape.
- July 14—Truck 50 placed in service at Station 50. Haz Mat company at Station 109 to be placed in service in September.

- July 17—Captain and Engineer interviews to be completed for appropriate appointments relative to the expansion of the truck company and retirements.

Engineer testing process will start approximately next April.

- Promotional Ceremony--July 31, 6:30 p.m. @ Sacramento Board of Realtors, 2003 Howe Avenue.

GENERAL COUNSEL'S REPORT—(Price) None.

COMMITTEE AND DELEGATE REPORTS:

Executive Committee—(Goold)

- Next meeting TBD

Communications Center Delegate—(Vanderveen)

- Next Meeting: July 29, 2003 – 10:30 a.m.

California Fire & Rescue Training Authority—(Stewart)

- Next Meeting: August 8, 2003 – 10 a.m.

Finance Committee—(Stewart)

- Next meeting: August 20, 2003 – 5:00 p.m.

Policy Committee—(Duveneck)

- Next meeting: August 6, 2003 – 5:15 p.m.

BOARD MEMBER QUESTIONS AND COMMENTS

Trujillo:

- Thanked Debbie Harris and colleague from the Comm Center for input tonight.
- Ride along July 4 with paramedics. Reverting back to use of latex gloves—new gloves not satisfactory.

Granados:

- Attended Building and Standards Commission Code hearing today, public comment scheduled tomorrow. Fire Service is at odds with each other on the Codes. Anticipate code issues coming to this Board.

Engellenner:

- Participated in a ride along lasting nine hours on July 4. Observed ambulance call, grass fire in Antelope with helicopter water drops, structure fire on Hillsdale.

Duveneck:

- Thanked the Comm Center staff present tonight—appreciated hearing their concerns first-hand.
- Thanked Fire Chief Martinez and staff, Chief Perkins and Director Stewart, for helping him out on his first parade in Carmichael—outstanding event. Appreciation extended to the Elks Lodge who provided breakfast to all; special thanks to Manny for his cooking and Truck 109 as part of the parade.
- Encountered Truck 109 at a four-car multi car accident. Directed the highway patrol in the apprehension of two people running from the scene. Good experience for a traumatic event.
- Complimented the outstanding professionalism and commitment of our fire service personnel.

Stewart:

- His golf partner, a CDF Captain, expressed appreciation for help from our helicopter pilot out on a training mission who assisted on a July 4 grass fire.

Valley:

- Introduced Jolie Brown in the audience, a former Florin Board Director prior to the merger and a Comm Center employee.

Jones:

- Observed the helicopter in action on the American River Parkway-great fire stop.
- On vacation and absent from the August 6 Board meeting.
- Eppie's Great Race this Saturday, July 19. Signup through Friday afternoon at Goethe Park. A contribution will be made to a choice of charities if any individual or team member from Sac Metro beats her time.

ADJOURNMENT:

The meeting was adjourned at 8:07 PM.

Grant B. Goold, President

James M. Stewart, Secretary

Charlotte Tilson, Clerk of the Board